



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

20-208

No. _____

RESOLUTION

URGING THE CITY ADMINISTRATION TO ADOPT THE HONOLULU ECONOMIC RECOVERY AND EMPLOYMENT SUPPORT (H.E.R.E.S.) PACKAGE, INCLUDING THE FOLLOWING ELEMENTS: (1) SUPPORTING CITY PROJECTS TO PROMOTE JOB CREATION, ECONOMIC ACTIVITY, AND COMMUNITY SPENDING; (2) ESTABLISHING A COMMERCIAL LANDLORD-TENANT REAL PROPERTY TAX GRANT PROGRAM TO PROVIDE RENT FORGIVENESS AND RELIEF; AND (3) ALLOWING OUTDOOR DINING AND RETAIL ACTIVITIES IN CITY PARKING LOTS, YARDS, AND LANDSCAPE AREAS.

WHEREAS, on March 4, 2020, Governor David Ige ("Governor") issued a Proclamation declaring the existence of a state of emergency in the State of Hawaii ("State") due to the COVID-19 outbreak and invoking his authority under the Hawaii Emergency Management Act, HRS Chapter 127A; and

WHEREAS, on March 21, 2020, the Governor issued a Second Supplementary Proclamation requiring, subject to limited exceptions, all persons entering the State to be subject to a mandatory 14-day quarantine, effective March 26, 2020, which resulted in a dramatic reduction of visitors to the Hawaiian islands; and

WHEREAS, on March 23, 2020, the Governor issued a Third Supplementary Proclamation directing individuals to stay at home unless performing essential activities and placing restrictions on non-essential businesses; and

WHEREAS, these extraordinary measures have helped Hawaii to achieve among the lowest infection and death rates in the United States, but have also had a devastating impact on the local economy; and

WHEREAS, despite the gradual lifting of restrictions on non-essential businesses and City and County of Honolulu ("City"), State, and Federal economic relief measures, the economic hardship for many Hawaii businesses due to the COVID-19 pandemic has been severe, and many such businesses have had difficulty paying their rents and are vulnerable to closure due to lost revenues; and

WHEREAS, Hawaii has been reported as having the highest percentage of businesses in the country negatively affected by the COVID-19 pandemic, as well as the highest share of small businesses operating in "high-risk industries," such as restaurants, hospitality, and tourism; and

WHEREAS, this has also resulted in reductions of work hours, furloughs, or terminations for tens of thousands of workers; and



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WHEREAS, a coalition of local labor, business, and industry groups including: the Chamber of Commerce Hawaii, Hawaii Construction Alliance, Hawaii Food Industry Association, Hawaii Food Manufacturers Association, Hawaii Restaurant Association, Retail Merchants Association of Hawaii, the National Association of Industrial and Office Properties ("NAIOP") Hawaii Chapter, the Hawaii Lodging and Tourism Association, and many individual business owners and workers, has come together to develop the H.E.R.E.S. package of initiatives to support business and retain or generate new jobs to help the local economy recover; and

WHEREAS, the City Council finds that implementation of this package of initiatives will assist in the City's economic recovery; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the City Administration to adopt the Honolulu Economic Recovery and Employment Support package, including the following elements:

1. Supporting City projects to provide construction jobs, generate economic activity, and stimulate community spending;
2. Establishing a commercial property landlord-tenant real property tax grant program for properties classified as Commercial and Hotel and Resort conditioned upon landlords providing rent forgiveness to their tenants; and
3. Allowing outdoor dining and retail activities in City parking lots, yards, and landscape areas abutting parcels with restaurant or retail establishments; and

BE IT FURTHER RESOLVED that the commercial property landlord-tenant real property tax grant program include the following elements:

1. Owners of properties classified as Commercial and Hotel and Resort shall be eligible to apply on behalf of their business tenants for a grant not to exceed the value of the annual real property tax for the subject properties, provided that:
 - a. Applications may be subject to audit or investigation; and
 - b. Fraudulent applications shall be subject to the applicable criminal and/or civil penalties; and



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2. Eligibility for properties classified as Hotel and Resort shall be limited to that portion of the property leased to tenants operating a commercial business; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, and the Director of Budget and Fiscal Services.

INTRODUCED BY:

Tony Watson

DATE OF INTRODUCTION:

AUG 18 2020

Honolulu, Hawaii

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
C E R T I F I C A T E

RESOLUTION 20-208

Introduced: 08/18/20 By: TOMMY WATERS

Committee: ECONOMIC ASSISTANCE
AND REVITALIZATION

Title: RESOLUTION URGING THE CITY ADMINISTRATION TO ADOPT THE HONOLULU ECONOMIC RECOVERY AND EMPLOYMENT SUPPORT (H.E.R.E.S.) PACKAGE, INCLUDING THE FOLLOWING ELEMENTS: (1) SUPPORTING CITY PROJECTS TO PROMOTE JOB CREATION, ECONOMIC ACTIVITY, AND COMMUNITY SPENDING; (2) ESTABLISHING A COMMERCIAL LANDLORD-TENANT REAL PROPERTY TAX GRANT PROGRAM TO PROVIDE RENT FORGIVENESS AND RELIEF; AND (3) ALLOWING OUTDOOR DINING AND RETAIL ACTIVITIES IN CITY PARKING LOTS, YARDS, AND LANDSCAPE AREAS.

Voting Legend: * = Aye w/Reservations

08/26/20	ECONOMIC ASSISTANCE AND REVITALIZATION	CR-203 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION. 4 AYES: FUKUNAGA, KOBAYASHI, MENOR, WATERS. 2 EXCUSED: ELEFANTE, MANAHAN.
09/09/20	COUNCIL	CR-203 AND RESOLUTION 20-208 WERE ADOPTED. 9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNEYOSHI, WATERS.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



IKAIKA ANDERSON, CHAIR AND PRESIDING OFFICER